

ISLAMIC WORLD DISTRICT (Ph I & II) – Knowledge Economic City

INVESTMENT OPPORTUNITY SCORECARD

REAL ESTATE

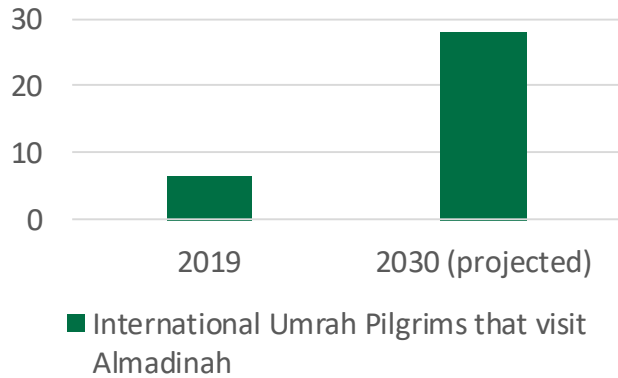
November 2021



KEC ISLAMIC WORLD DISTRICT (Ph I & II)

OPPORTUNITY'S DESCRIPTION: An opportunity to develop a mixed-use, hospitality residential & commercial for umrah & hajj visitors.

DEMAND



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Estimated Capex: **SAR 3.32 Bn**
- Investment Model:
- **Long Term Ground lease**
- **Joint Venture**
- **Build To Suit**
- Property Yield: **11.5%**

VALUE PROPOSITION

- As part of Vision 2030, Dhuyuf Al Rahman Vision Realization Program includes plans to increase international Umrah pilgrims to the Kingdom from 7M in 2019 to 30M by 2030. This will have a significant impact on the region, as nearly 93% of international umrah pilgrims to the Kingdom visit Medina.
- Opportunity to leverage the recent government initiatives to upgrade Almadinah City, such as the Dhuyuf Al Rahman Program, the Quality of Life Program and the National Transformation Program.
- The establishment of Economic Cities and Special Zones Authority that aims to enable economical hubs & cities through private/public partnerships.

PROJECT OVERVIEW

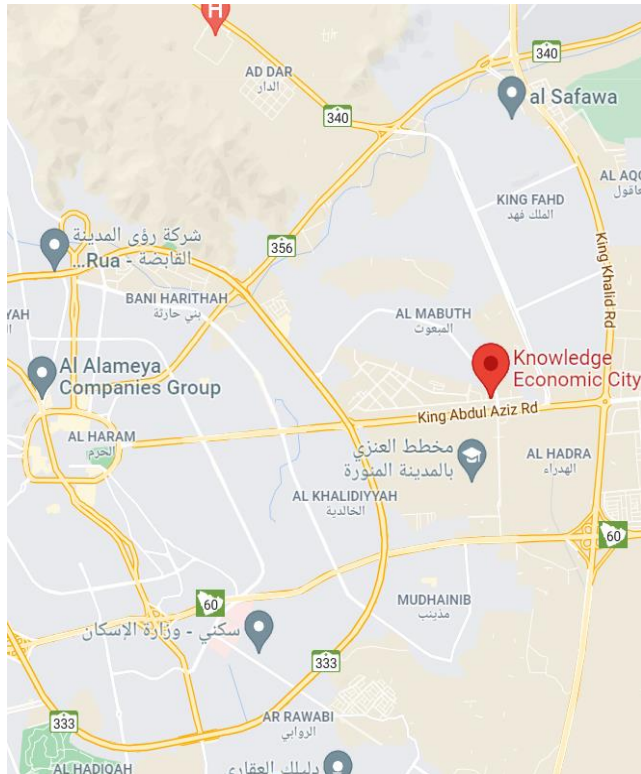
- KEC aims to become a world class destination that stimulates and attracts various real estate investments and knowledge based economic development, offers its residents and visitors of Madinah a distinguished lifestyle with integrated, smart and distinctive services, and delivers rewarding returns to shareholders.
- Islamic World District (IWD) is part of a TOD development, offering affordable hospitality for umrah & hajj visitors, residential components and commercial spine with cultural plaza. The spine include traditional souk, gold souk , International cuisines, etc.
- KEC is the master developer of a 6.8 km of land within the urban development of the city, strategically positioned in King Abdulaziz road that meets all the traffics coming from/ to:
 - Prince Mohammed Bin Abdulaziz International Airport- 8km from subject site.
 - Haramain train station- within KEC masterplan.
 - Al Haram AL Nabawi- 5km from the subject site.
 - Madinah College of Technology – 4 km from subject site.

Total GLA	68,000 sqm
Hotel # of Keys	6,600 keys
Residential # of Units	2,600



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PROJECT LOCATION



Knowledge Economic City, Madinah

INVESTOR/DEVELOPER ROLE



Studies, design and permits

The developer will be responsible for conducting all the necessary studies to secure commercial aspects of the project, develop all the designs of the project, and obtain the necessary government permits



Financing

The developer will bear the burden of securing funding of the project, whether through private sources, financing entities, or mix of various financing instruments



Operations and maintenance

The developer will be responsible for the operations and maintenance either by himself or through another professional entity



Marketing and leasing

The developer will be responsible for marketing and leasing out the units in the project



Execution

The developer will be responsible for the execution of all aspects of the project

ENABLING FACTORS

ENABLERS

- Developed lands
- Expedite attainment of permits and approvals
- Long term leasing contract for up to 50 years

COST OF DOING BUSINESS IN KSA

Factor	Ranking Amongst Regional Peers
Macroeconomic risk (100=high)	30
Productivity adjusted wages	\$3.3 /hour
Ease of getting credit (0 – 100)	50
Contract enforcement (0-100)	55
Construction Costs (Indexed to US, % 0 is cheapest)	74

KEY STAKEHOLDERS



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DEFINITIONS

#	SCORECARD SECTION	DEFINITION
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Demand drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
6	Enablers	Factors that enable investment in the underlying opportunity
7	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region

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